

**BEFORE THE TENNESSEE REGULATORY AUTHORITY AT
NASHVILLE, TENNESSEE**

June 30, 1999

IN RE:)	DOCKET NO. 99-00234
CONCORD TELEPHONE EXCHANGE, INC.)	
TARIFF TO OFFER SPECIAL CONTRACT)	

ORDER APPROVING TARIFF

This matter came before the Tennessee Regulatory Authority (the "Authority") at the regularly scheduled Authority Conference held on April 20, 1999, for consideration of the tariff of Concord Telephone Exchange, Inc. ("Concord") to Offer a Special Contract (the "Tariff"). The Tariff was originally filed with the Authority on March 17, 1999, with the proposed effective date of April 21, 1999. The Tariff was filed for the purpose of providing lower rates through a specific contract. The contract is being made available to Concord's one (1) customer subscribing to more than ten (10) ISDN-PRI lines. These same terms and conditions will be made available to any customer requesting similar service in the future.¹

The contract offers a nonrecurring charge of \$500 per PRI, which represents a 50% discount off standard tariff nonrecurring rates and a discounted monthly recurring rate of \$400 per PRI, compared to the tariff's monthly recurring rate of \$700 per PRI. The contract requires the customer to purchase at least ten (10) ISDN-PRI lines and is effective for one (1) year, renewable thereafter at the customer's option.

Concord has provided data that demonstrates that the proposed rates will cover costs and will generate additional contribution to the company. As a rate-of-return company, any additional

¹ Concord has determined that any customer subscribing to more than ten (10) ISDN-PRI lines are similarly situated and will be offered the same rates as this contract provides.


contribution reduces the possibility of earnings falling below the authorized rate of return, thereby negating potential general rate increases. Concord will be required to install additional plant to provide this service. Therefore, should the customer terminate the contract prior to the end of the one year term, it will pay a monthly termination charge to cover any stranded investment.²

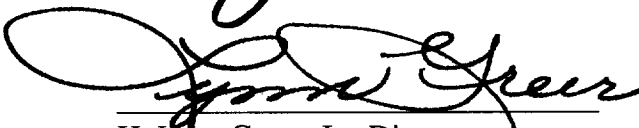
The purpose of this contract is to attract a new business into Concord territory, which without this contract's lower rates such customer may not have located in this territory. Further, this is a contract for one year. These elements as well as the contribution factors discussed above are sufficiently special and unique reasons to warrant the approval of this contract pursuant to Rule 1220-4-1-.07.

After consideration of the record in this matter, the Directors unanimously approved the Tariff.

IT IS THEREFORE ORDERED THAT:

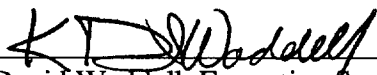
Concord Telephone Exchange, Inc. Tariff No. 99-00234 is approved as filed.


Melvin J. Malone, Chairman


H. Lynn Greer, Jr., Director


Sara Kyle, Director

ATTEST:


K. David Waddell, Executive Secretary

² Stranded investment is investment put in place for the sole use of a specific customer.